

New Mandatory CE Course in Risk Management

Assembly Bill 223 (AB 223), sponsored by the California Association of REALTORS®, expands the mandatory continuing education requirements by adding a 3-hour course in Risk Management. All licensees renewing on or after July 1, 2007 will be required to complete a DRE-approved 3-hour continuing education course in Risk Management.

The 6-hour Combined Survey Course has been expanded to 8 hours to incorporate Risk Management into the course materials. Licensees may not satisfy the Risk Management continuing education requirement with an 8-hour Combined Survey Course until it is their second or subsequent renewal after July 1, 2007. In other words, all licensees must complete an individual 3-hour course in Risk Management the first time they renew on or after July 1, 2007. Thereafter, licensees may use the 8-hour Combined Survey Course to satisfy the Risk Management requirement, when they renew.

AB 223 does not increase the overall required 45 hours of continuing education needed for license renewal. Currently, first renewal broker licensees must complete the four individual required courses in Ethics, Agency, Fair Housing, and Trust Fund Handling that are 3 hours each. AB 223 adds the 3-hour Risk Management course as a required course, for a total of 15 hours of mandatory courses. First renewal broker licensees will still need to complete a minimum of 18 hours of courses in the consumer protection category, and the balance of 12 hours can be courses approved in either the consumer protection or consumer service category.

The continuing education requirements for first renewal sales licensees will increase from 12 hours to 15 hours with the addition of Risk Management. These licensees will need to complete 5 courses of 3 hours each in the categories of Ethics, Agency, Fair Housing, Trust Fund Handling, and Risk Management.

For information on schools and vendors approved to offer a course in Risk Management, visit DRE's website at secure.dre.ca.gov/publicasp/cecontinue.asp. Again, these changes will be implemented effective July 1, 2007.